CENTRAL INTELLIGENCE AGENCY **Q**0457R09460Q46

COUNTRY Rumania

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The Malaxa Group

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  - The Malaxa Group, now known as "23rd August", is composed of the firms of N. Malaxa-Titan, S.A.R., the N. Malaxa Tube and Steel Works, S.A.R., and N. Malaxa Works at Tohani. All three are administered by a general management committee and subcommittees. The Management Committee is composed of Engineers Romulus Runcan, Stefan Epure, Dumitru Popescu, P. Wexler, Easile Stefanescu, Sterie Enachescu and Voicu. The Director-General of the Malaxa-Titan is Engineer Matasa; the Director-General of the Steel Works is Engineer Wexler and the Director-General at Tohani is Engineer Voicu. The latter also acts as Director-General for all the enterprises. He is a newcomer to the factory, having previously been with the Rumanian State Railways. He is not a Communist.
    - N. Malaxa-Titan, S.A.R.: This factory produces locomotives, engines, pressure boilers and repairs railroad cars. Minety percent of the output of this firm goes to Russia in reparations. Orders for locomotives are to be increased on Russian request. Only repairs will be allowed in the future for the industrial requirements of Rumania.
    - N. Malaxa Tube and Steel Works: The Tube and Steel Works is an "extension" of the Titan factory and is working at full capacity producing tubes with dimensions ranging from three-fourths to six inches as reparations for USSR. The factory originally was equipped with modern tools and had two rolling mills. The larger of these mills was dismantled in 1945 and transported to Nikopol in the USSR. Its maximum output had been 75,000 tons a year.
    - The small rolling mill produces 25,000 tons of steel a year from raw materials supplied by USSR. Ten percent of the output is allotted for Rumanian requirements.
    - In the two factories in Bucharest, the number of workers is at present 7,000. In general the pre-war output has dropped because of mismanagement and maldistribution of raw materials.
    - N. Malaxa Tohani: Until 23 August 1944, this factory produced and filled shells of various calibers. All the installations for the production and filling of shells have remained intact. Fifteen hundred employees are now

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at work manufacturing household articles, instruments for hospitals and metal beds as reparations for the Soviet Union. The Ministry of Health also places orders to be used for the interior of the country.

- 7. This enterprise is nearing bankruptcy and efforts are being made to provide work in order to prevent discontent among the employees. The upkeep of the plant is poor, and the Malaxa Group does not have the right to carry out any alterations to improve the factory. The workers are extremely hostile to the Government and are anti-Soviet. They live in poverty and their salaries are subject to subscriptions and involuntary donations.
- 3. The number of convinced Communist workers does not exceed three percent althoun all workers have now joined the Communist Party and various unions in order to secure their means of livelihood.

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